

FD-302a BALDUCCI 132354

Continuation of FD-302 of TIM BALDUCCI

On
Page

...really substantially, that
I'll probably be 20 or 25
the press goes.

LACKEY: Well, well the bankruptcy court
will probably take care of
that.

BALDUCCI: I hope so.

LACKEY: Yeah.

BALDUCCI: I, I think, I mean I think
we're, I think we're right on
the substance of, of everything
but you know, like I said
before I just, shit I just hate
gettin' my name...

LACKEY: Well, I...

BALDUCCI: ...drug back into all of that.

LACKEY: ...well I, I hate it for you.

BALDUCCI: You know, just...

LACKEY: Uh, uh, but uh, uh...

BALDUCCI: Shit sometimes happens.

LACKEY: ...with, with JOEY's
connections, sometimes I think
he, he, he or JIM WADE
(phonetic) have stock in the,
uh TUPELO JOURNAL...

BALDUCCI: Yeah, yeah.

LACKEY: ...because they uh, they can
get...

BALDUCCI: They can get the ink, can't
they?

LACKEY: Oh, they can.

BALDUCCI: Yeah, they do.

LACKEY: You know they...

BALDUCCI: They get the damn...

LACKEY: ...I wonder what kind, when,
after you told me about it the

FD-302a 194A-JN-32354

Continuation of FD-302 of

TIM BALDUCCI

On
Page

BALDUCCI: other day, I said, I just wonder what kind of forum they gonna give JOEY.
Well, he got, yeah.

LACKEY: Yeah. Yeah.

BALDUCCI: He got what he wanted.

LACKEY: Yeah.

BALDUCCI: So we'll see.

LACKEY: Ahh, me. Well, TIM...

BALDUCCI: Alright, well I'ma let you go. You stay in touch with me. Let me know...

LACKEY: I'm going to.

BALDUCCI: ...what you need.

LACKEY: I'm going to.

BALDUCCI: And let me get it to you...

LACKEY: Alright.

BALDUCCI: ...as you need it.

LACKEY: Alright, I'ma put this in my little, I've got a little safe here that I...yeah, you know what this is?

BALDUCCI: I've seen it several times, but I don't know. (UI) obviously it's a ballot box.

LACKEY: Yeah. It's a jury wheel...

BALDUCCI: Oh, a jury wheel?

LACKEY: ...from uh, from federal...

BALDUCCI: Federal court. Delta Division.

LACKEY: Uh-huh.

BALDUCCI: Yeah.

LACKEY: And my sister was up there one day and they were throwing these away...

FD-302a BALDUCCI 132354

Continuation of FD-302 of TIM BALDUCCI

Really?

09/27/2007

27

On
Page

LACKEY:

Uh-huh.

BALDUCCI:

Somebody was using it as candy bowls one time.

LACKEY:

No that's what, that's what I've been doing...

BALDUCCI:

Uh-huh.

LACKEY:

...to the candy box and uh, uh, she...

BALDUCCI:

Old jury wheel.

LACKEY:

...she got it for me. I wouldn't take anything for it. I've...

BALDUCCI:

Yeah.

LACKEY:

...I've laughed and, and told some of 'em, I said, you know, we always accused of uh, setting juries, uh, uh, fixing juries and I got...

BALDUCCI:

Mm-hmm.

LACKEY:

...my own jury wheel.

BALDUCCI:

(laughs)

LACKEY:

Just pick my own one.

BALDUCCI:

Isn't that something?

LACKEY:

It is.

BALDUCCI:

Is this the Delta, Del, Delta Division? Is that what this is?

LACKEY:

Oh, I don't know what that (UI)

BALDUCCI:

(UI)

LACKEY:

That's a, that's a whole... No, I don't know where the Delta Division was. What is that? (UI)

BALDUCCI:

The old Delta Division...

LACKEY:

That's a...

FD-302a (Rev. 11-27-2000) 194A-JN-32354

Continuation of FD-302 of

On
Page

BALDUCCI: TIM BALDUCCI

...yeah, old ~~DE/22/2007~~ Division...28

LACKEY:

...662.

BALDUCCI:

...at one time, it sat in
Clarksdale and uh...

LACKEY:

Well aren't they tryin' to...

BALDUCCI:

...(UI) court. You know.

LACKEY:

...tryin' to get it moved to,
to Boliver...

BALDUCCI:

Yeah, you know, PEPPER,
PEPPER's involved in that and
uh, you know, I hadn't really
followed that that much.

LACKEY:

Uh...

BALDUCCI:

My daddy's been involved in it
over there, kinda keepin' up
with it.

LACKEY:

Yeah.

BALDUCCI:

He's the actually's been
tellin' me, tellin' me about
it. Um...

LACKEY:

What does your dad do? I...

BALDUCCI:

He's a banker. He's the
president...

LACKEY:

Ok.

BALDUCCI:

...of the bank and uh, in
Cleveland...

LACKEY:

Ok.

BALDUCCI:

...CLEVELAND COMMUNITY BANK?

LACKEY:

Yeah.

BALDUCCI:

And uh, I talked to him last
night, you'll like this. My
daddy's a big FRED THOMPSON
man.

LACKEY:

Oh yeah. Uh-huh.

BALDUCCI:

And my daddy's going to a

FD-302a 194A-60N-32354

Continuation of FD-302 of TIM BALDUCCI

fundraiser in Ruleville Friday
night... 09/27/2007 29

On
Page

LACKEY:

Oh yeah. FRED.

BALDUCCI:

...for FRED THOMPSON. And um,
and 'course you know, we're all
BIDEN folks.

LACKEY:

Oh, sure.

BALDUCCI:

Supportin' him big and uh, and
so my daddy's going to this
fundraiser Friday night in
Ruleville for him and I called
him the other night and said,
God damnit daddy. I said, did
you write a check? I said, I
hope you had sense enough to
give him cash and not write a
damn check so it'll come out
and the damn BIDENs will see
that my daddy's givin' money
to FRED THOMPSON. I said, I
hope, tell me you didn't have,
you weren't dumb enough to
write a check to him? He goes,
well, I did. I'm sorry. I
didn't think about it.

LACKEY:

(laughs)

BALDUCCI:

And I said well I, God damn I hope
they don't put two and two
together...

LACKEY:

(laughs)

BALDUCCI:

...and see that name and figure out
who it is. I said you killin' me.
You killin' me. See ya, judge.

LACKEY:

Thanks, bud.

BALDUCCI:

Alright, take care.

LACKEY:

Alright. You too.

BALDUCCI:

Alright. You call me...

LACKEY:

You too.

BALDUCCI:

...let me know...

LACKEY:

I'm, I'm going to.

FD-302a ~~BALE~~ 132354

Continuation of FD-302 of TIM BALDUCCI

On
Page

LACKEY:
BALDUCCI:

...how things go...

09/27/2007

30

I'm going to.
...and uh, just, man, whatever
you need. Let me know. Alright,
buddy.

LACKEY:

Thanks, TIM.

BALDUCCI:

Yes sir.

LACKEY:

Good to see you.

BALDUCCI:

Bye bye Miss MONETTE.

MONETTE (LNU):

Oh, be careful.

BALDUCCI:

Alright, see you later. Take
care.

LACKEY:

Ok, bud. I'm about thirsty to
death, are you?

MONETTE (LNU):

(UI)

LACKEY:

What?

MONETTE (LNU):

This is too dang good (UI)

LACKEY:

(UI)

MONETTE (LNU):

(UI)

LACKEY:

(UI)

MONETTE (LNU):

(UI)

LACKEY:

(UI)

MONETTE (LNU):

(laughs)

LACKEY:

(laughs)

MONETTE (LNU):

That makes the day better,
then.

LACKEY:

(laughs) Oh. (UI)

MONETTE (LNU):

Ok.

LACKEY:

(UI)

MONETTE (LNU):

(UI)

LACKEY:

(UI)

FD-302a MONETTE (LNU) : 1254

Continuation of FD-302 of

TIM BALDUCCI

(laughs)

09/27/2007

31

On
Page

LACKEY:

(laughs) Ahhh, me. I grew up a mile over that hill. Mm-hmm. Haaa.

(pause; beeping sound in background)

MONETTE (LNU) :

(UI) Yes. Sure.

LACKEY:

(UI) get it?

MONETTE (LNU) :

It's BILL.

LACKEY:

Hello? Ok. Thanks now. (hangs up) (sighs)

MONETTE (LNU) :

Can I fax something?

LACKEY:

Huh?

MONETTE (LNU) :

Can I fax these things or wait?

LACKEY:

Wait...

MONETTE (LNU) :

I'll wait.

LACKEY:

(UI) Thanks. Thanks, MONETTE.

MONETTE (LNU) :

Ok.

LACKEY:

I'm 'bout to burn up.

MONETTE (LNU) :

(laughs) This (UI). Yeah, it's on.

LACKEY:

It's on, but it's, it's not doing well.

MONETTE (LNU) :

Is the filter dirty? I, I guess it wouldn't be. It just feels (UI)

LACKEY:

Aw, it's, it's, it just, you know (UI)

MONETTE (LNU) :

Not much, but it looks pretty dirty right (UI) Well, we need another TV. (laughs)

LACKEY:

(laughs) Yeah. (UI)

MONETTE (LNU) :

(UI) fall through. (laughs) Come on back.

LACKEY:

(UI)

FD-302a (Rev. 11-27-2000) 194A-671-32354

Continuation of FD-302 of

MONETTE (LNUM: BALDUCCI

(UI)

09/27/2007

32

On
Page

LACKEY:

(UI)

SPECIAL AGENT (SA) WILLIAM P. DELANEY: Did I...

LACKEY:

(UI)

SA DELANEY:

...understand him correctly?
He's leaving this weekend and
he's gon', not gonna be back
for like two weeks?

LACKEY:

Do what?

SA DELANEY:

Did I understand him to say
he's leaving this weekend and
he won't be back for two weeks?

LACKEY:

That's right. Going to
Switzerland.

SA DELANEY:

He's going to like, DC this
weekend?

LACKEY:

DC this weekend and the next,
next week, he's going to
Switzerland for two weeks.

SA DELANEY:

When's he leave, is he gonna
be, is he gonna be around next
week?

LACKEY:

Yeah. I think he is, now. Let
me...

SA DELANEY:

Ok.

LACKEY:

...let me get this right here.
I'm nervous.

SA DELANEY:

(UI) I appreciate that.

UNIDENTIFIED MALE (UM):

(UI) judge?

SA DELANEY:

Judge?

LACKEY:

(UI)

SA DELANEY:

Hang on. Just leave it in
there.

LACKEY:

Oh.

SA DELANEY:

We're gonna take some photos.

FD-302a 194A-UN-32354

Continuation of FD-302 of

On
Page

LACKEY: TIM BALDUCCI

Ok. You have 00/20/2007 at me 33
(UI) because...

SA DELANEY:

Is this stuff turned off?

LACKEY:

Huh?

SA DELANEY:

Is this turned off?

LACKEY:

Uh-uh. No.

(END OF RECORDING)

FD-302 (Rev. 10-6-95)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of

transcription

Investigation on

at

Date dictated

File #

by

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your

agency.

it and its contents are not to be distributed outside your agency.

09/27/2007

The following is a recorded telephone conversation between

~~TIM BALDWIN and STEVE PATTERSON~~

09/27/2007

Jackson, Mississippi

(telephonically)

194A-JN-32354

09/27/2007

SA WILLIAM P. DELANEY/jrb

Exhibit S

FD-302a (Rev. 10-6-95) (Page 11 of 37)

Continuation of FD-302 of

TIM BALDUCCI

09/27/2007

2

On
Page

TIM BALDUCCI:

Hello?

STEVE PATTERSON:

Hey.

BALDUCCI:

Must have ESPN.

PATTERSON:

(laughs)

BALDUCCI:

(Unintelligible)

PATTERSON:

(talking simultaneously) Well, tell me what you...I was gon', one thing I wanted to tell you before I forget it, if, if you stop by, particularly since you stoppin' by there to see DICKIE...

BALDUCCI:

Uh-huh.

[REDACTED] SON:

[REDACTED] um, I mentioned [REDACTED] try [REDACTED] really to P.D....

BALDUCCI:

Yep.

PATTERSON:

[REDACTED] it I have...

BALDUCCI:

Yep.

PATTERSON:

...(clears throat) I had a [REDACTED] problem that I had solved...

BALDUCCI:

Yep.

[REDACTED]

[REDACTED] and solve it...

BALDUCCI:

Yep.

PATTERSON:

[REDACTED] need help, let me know.

[REDACTED]

Well, [REDACTED] was gon' [REDACTED] at [REDACTED] that I [REDACTED] somethin' [REDACTED] handled...

PATTERSON:

Mm-hmm.

FD-302a (Rev. 4-15-64) - 32354

Continuation of FD-302 of

BALDUCCI: TIM BALDUCCI

On
Page

[REDACTED]

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

BALDUCCI:

PATTERSON:

...and uh, then /17/2007 gonna get
uh, you to talk to P.I. and let
[REDACTED]
[REDACTED]

I've already done that. I mean,
[REDACTED]
[REDACTED] about [REDACTED].
[REDACTED] but...

[REDACTED] what'd you tell him?

Forty.

Ok, so you didn't pay [REDACTED]?

[REDACTED]

[REDACTED]

Yeah, I just told him the
truth.

Alright.

And I said...

Ok.

...do I go ahead and take care
of it or what? And he said
yeah, go ahead and take care of
it.

Yeah. Alright. Fine.

I said, well we've already
taken care of half of it.

Yeah. Ok. Well, I'ma just
reinforce that...

Yeah.

...this mornin'.

Ok.

Um, I just stopped by his
[REDACTED] that
[REDACTED] had gotten for
me...

Mm-hmm.

FD-302a (Rev. 11-27-2001) 194A-ON-32354

Continuation of FD-302 of

On
Page

BALDUCCI: TIM BALDUCCI

...um, and I called BETHIE 4
(phonetic) and she said he's
gonna be there this mornin'...

PATTERSON:

Ok.

BALDUCCI:

...so, I'm gonna go back on my
way back through...

PATTERSON:

Mm-hmm.

BALDUCCI:

...and I'ma...

PATTERSON:

Oh, you're on, you're over
there now?

BALDUCCI:

Uh-huh. I'm leaving Oxford
now...

PATTERSON:

Ok.

BALDUCCI:

...heading south.

PATTERSON:

Ok.

BALDUCCI:

And um, so what I'ma do is I'ma
come back through here, I'ma
stop and see him. I'm gonna
lead with this issue and then
I'm gonna tell him I need you
to make two calls.

PATTERSON:

Yeah.

BALDUCCI:

And get him to make those two
phone calls.

PATTERSON:

Yeah. Uh, mention IUPE to him.

BALDUCCI:

Ok.

PATTERSON:

And uh, see what his reaction
is.

BALDUCCI:

Ok.

PATTERSON:

I think it'll be very positive.

BALDUCCI:

Ok.

PATTERSON:

Uh, did you ever talk to Z
(phonetic)?

BALDUCCI:

The mother fucker never called
me back STEVE. You know, he
called me on my cell phone. He

FD-302a (Rev. 10-6-95) - 32354

Continuation of FD-302 of

TIM BALDUCCI

On
Page

was on his. I tried to talk to
him for about 09/27/2007... 5

PATTERSON:

Yeah, you told (UI)

BALDUCCI:

...and I said, Z, I just, I
cannot communicate with you.
I'm gettin' every third word
you're sayin'.

PATTERSON:

Mm-hmm.

BALDUCCI:

He said, well I'll be home in
about twenty or thirty minutes.
I'll call you back. And the
mother fucker never called me
back.

PATTERSON:

Alright, do you have your call
with uh, guys in Richmond?

BALDUCCI:

Yeah, I did. I did.

PATTERSON:

Any names?

BALDUCCI:

(UI) Uh, he, you know, frankly
what they were saying, what he
was saying, DONALD McKETCHEN
sayin' that uh, that the way
that the bill is being marked
right now, that in the Senate
that they're gonna get around
the cap he thinks. And he's
supposed to be faxin' me this
morning some dead man's
documents about the Senate
markings. So...

PATTERSON:

So, but in other words, what
he was sayin' was good news?

BALDUCCI:

Good news. And what he was
sayin', though, is (UI)...

PATTERSON:

He might not be accurate, but
good news.

BALDUCCI:

Well he, I think it is, 'cause
he's got fuckin'...

PATTERSON:

Ok.

BALDUCCI:

...documents and he was tellin'
me, you know, I think my intell
may be better in pressure than
yours...

FD-302a (Rev. 10-6-95) - 32354

Continuation of FD-302 of

On
Page

PATTERSON:TIM BALDUCCI

Mm-hmm.

09/27/2007

6

BALDUCCI:

...from what you got on the
House side...

PATTERSON:

Mm-hmm.

BALDUCCI:

...and he said, you know, if
this is the case, we really
need to push on the Senate bill
and he was telling me the message
was you guys gotta get your man in
line on the House side if this comes
out of the Senate.

PATTERSON:

Yeah, well we, we can handle
that.

BALDUCCI:

And that's, I said, look you
know, we...

PATTERSON:

That's done.

BALDUCCI:

...we all for, we all for
gettin' the best bill...

PATTERSON:

Yeah.

BALDUCCI:

...to the floor. So.

PATTERSON:

Yeah, that's done.

BALDUCCI:

So yeah, so it's...

PATTERSON:

(UI) that's good news. Alright.
And are they gonna meet us up
there three o'clock Saturday?

BALDUCCI:

Yeah, and here's what we're
gon' do. I've been on the phone
with BIDEN this mornin', that
would be JIM BIDEN. I'm not
tryin' to be like JOEY.

PATTERSON:

(laughs) (UI)

BALDUCCI:

And um, you and I, the plan now
is, me, you and NORMAN are
gonna leave at eight o'clock
from New Albany Saturday.

PATTERSON:

Yeah.

BALDUCCI:

So, I'll come pick you up
Saturday morning...

FD-302a (Rev. 4-15-04) TN-32354

Continuation of FD-302 of

PATTERSON:TIM BALDUCCI

Ok.

09/27/2007

7

On
Page

BALDUCCI:

...at your house, and we'll
leave from eight, at eight
o'clock from New Albany

Saturday, and we're gonna get
there around noon, and we're gonna
meet the BIDENs around noon.

PATTERSON:

Ok.

BALDUCCI:

Then we're gonna meet the
black farmers at three.

PATTERSON:

Ok.

BALDUCCI:

And we're gonna go to the
dinner at seven.

PATTERSON:

Is JIMMY...

BALDUCCI:

(UI)

PATTERSON:

...and them going to the
dinner with us?

BALDUCCI:

I don't know yet.

PATTERSON:

Ok.

BALDUCCI:

I don't know yet. Then um, we
may or may not meet with STITH
(phonetic) just me and you
Sunday morning.

PATTERSON:

Ok.

BALDUCCI:

JIMMY...

PATTERSON:

That'd be fine, anyway

BALDUCCI:

...and SARAH, yeah, JIMMY and
SARAH can't stay...

PATTERSON:

Yeah.

BALDUCCI:

...but um, we may or not,
dependin' that he's gonna talk
to STITH...

PATTERSON:

Ok.

BALDUCCI:

...and let us know, so.

PATTERSON:

Ok. That'd be good.

FD-302a (Rev. 4-15-64) - 32354

Continuation of FD-302 of

BALDUCCI: TIM BALDUCCI

On
Page

So either we'll meet with
STITH Sunday mornin' and come
home or either we're gonna do
nothin', just get up and come
home...

PATTERSON:

Come home Sunday mornin'. Yeah,
ok. Alright, good enough. That,
that's good plan.

BALDUCCI:

Yeah.

PATTERSON:

Call me durin' the day.

BALDUCCI:

Alright. Bye.

PATTERSON:

Bye. (hangs up)

(END OF CONVERSATION)

- 1 -

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 11/05/2007

The following is a consensually recorded conversation between TIMOTHY BALDUCCI, SIDNEY BACKSTROM, ZACHARY SCRUGGS and RICHARD "DICK" SCRUGGS on November 1, 2007:

1D26

Investigation on 11/01/2007 at Oxford, Mississippi

194A-JN 32354

Date dictated 11/05/2007

by SA WILLIAM P. DELANEY/jrb

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

Exhibit T

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 Page 2

TIMOTHY BALDUCCI: (clears throat) My name is TIM BALDUCCI. Today's date is November 1st, 2007. The time is approximately 1:20 PM, central time. I'm attempting to make a consensual recording of a conversation between myself and SID BACKSTROM (phonetic) at the SCRUGGS LAW FIRM and possibly with RICHARD SCRUGGS. (sighs)

(pause; BALDUCCI driving)

(passersby on the square; non-pertinent conversation)

BALDUCCI: (UI) (whispering to himself)

UNIDENTIFIED MALE (UM): (UI)

BALDUCCI: What's happenin'?

ZACH (LAST NAME UNKNOWN) (LNU): (UI)

BALDUCCI: Hey man.

ZACH SCRUGGS: You comin' up here?

BALDUCCI: I was. I was comin' to see ya'll.

UM2: Hey man.

BALDUCCI: Whatcha know?

RICHARD SCRUGGS: Good to see ya.

BALDUCCI: How you doin'?

R SCRUGGS: I didn't know you were here.

BALDUCCI: Uh, yeah. Dropped by. Actually, I was comin' to see SID, but I need to see...

FD-302a (Rev 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI . On 11/01/2007 . Page 3

R SCRUGGS: Well, he's right behind us.

BALDUCCI: ...see you.

R SCRUGGS: I was supposed to call uh, TIM,
I mean uh, uh, TIM, uh...

BALDUCCI: STEVE?

R SCRUGGS: ...the other TIM.

BALDUCCI: Has he uh, he not been here?

R SCRUGGS: I just talked to him.

BALDUCCI: Oh, ok.

R SCRUGGS: He hadn't been here. (UI)

BALDUCCI: Well, he told me that he had to
come over here today and see
you about somethin'.

R SCRUGGS: Well, he was goin' to, but
he...

BALDUCCI: (sighs)

R SCRUGGS: ...called me and I've got a
call in to him now

UM: See a man about a dog.

BALDUCCI: Yeah. See a horse about a dog?

R SCRUGGS: Yeah.

BALDUCCI: We uh, gosh, we been runnin' in
such different damn directions
lately.

R SCRUGGS: This is on uh...

BALDUCCI: I hardly ever get to, to see
him.

Exhibit T

FD-302a (Rev 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI , On 11/01/2007 , Page 4

R SCRUGGS: ...GARY (phonetic) ANDERSON
type thing.

BALDUCCI: Yeah, that's what I...

R SCRUGGS: Can I...

BALDUCCI: ...figured.

R SCRUGGS: ...can I handle this 'cause
it's time critical? Give me
about fifteen minutes?

BALDUCCI: Sure.

R SCRUGGS: And...

BALDUCCI: Yeah, no problem.

R SCRUGGS: ...alright. (UI).

Z SCRUGGS: Hey come, come here TIM.

BALDUCCI: No, problem. Naw, do what you
gotta do. I just uh, no, no
thanks. No trick or treat for
me. I'ma uh...

Z SCRUGGS: Here, we'll go back in my, or
SID's office. I, I'll go back
there with you (UI)

BALDUCCI: No, take ya'll's time. I'm
arriving unannounced, so that's
fine.

Z SCRUGGS: (UI) fine. You're totally fine.
You know uh, CHRIS, don't you?
You've met CHRIS?

BALDUCCI: Yeah, I've met CHRIS.

CHRIS (LNU): (UI)

BALDUCCI: How you doin', bud? Good to see

Exhibit T

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI , On 11/01/2007 , Page 6

know man? I wouldn't care for anything.

Z SCRUGGS:

I just hate how bad our Kentucky thing turned out.

BALDUCCI:

Ah, you know...

Z SCRUGGS:

It's gonna happen uh, uh, gonna happen sooner or later with these guys.

BALDUCCI:

Well, I'm, I'm...

Z SCRUGGS:

What, what's the lat, I mean, have there been (UI)

BALDUCCI:

Nothin'. I haven't heard anything, ZACH.

Z SCRUGGS:

I hadn't heard...

BALDUCCI:

Um, you, you know, one of the things that I was concerned about...

Z SCRUGGS:

JOEY came over on Sunday (UI)

BALDUCCI:

Well, I knew, I knew that and I know JOEY's been dumpin' on me a lot about that. I've talked to SID about it.

Z SCRUGGS:

I told JOEY the, the frustration, anything with, I (UI) one thing. I said I wasn't gonna call, call and (UI) talked in that letter (UI) anything to do with adding you in as much as how it was postered.

BALDUCCI:

Mm-hmm. Yeah. It was...

Z SCRUGGS:

(UI)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI, On 11/01/2007, Page 7

BALDUCCI: ...tryin' to ram it down us.

Z SCRUGGS: Yeah, uh, yeah. He's, you know, we just wanna stay out of all that and, and I think ya'll do too. That's why...

BALDUCCI: Well, of course.

Z SCRUGGS: ...ya'll withdrew, you know?

BALDUCCI: Well, I'm glad you brought it up, because I had talked to SID a little bit about it and he may have told you, you know, I hate it because to me, that issue is squarely just a pissin' match between JOEY and us. And I feel like ya'll have gotten caught in the crossfire on that. And I hate it...

Z SCRUGGS: Not your fault.

BALDUCCI: Well, I, I, I hope...

Z SCRUGGS: I know its not you fault.

BALDUCCI: ...I mean, I hope you say that. I hope you mean that because...

Z SCRUGGS: And JOEY, JOEY, and, and I'll even say this and, and I could be wrong and, and you may disagree and I would, I would understand you disagreeing, you know, I, JOEY didn't intend on that consequence either, I'm sure.

BALDUCCI: I'm sure.

Z SCRUGGS: And these...

BALDUCCI: No, I...

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI , On 11/01/2007 , Page 8

Z SCRUGGS: ...Kentucky guys, I mean, uh, you know that's where...

BALDUCCI: It's just a mess.

Z SCRUGGS: ...my, that's where about ninety-nine...

BALDUCCI: Yeah.

Z SCRUGGS: ...point nine percent of my frustration is on them because...

BALDUCCI: They're such rookies.

Z SCRUGGS: Well, I don't think JOEY knew or appreciated that they were gonna come in there and say...

BALDUCCI: Be that heavy handed?

Z SCRUGGS: ... (UI) comin' on ya'll's...yeah.

BALDUCCI: Yeah.

Z SCRUGGS: Uh, and, and, and he has some denability there, there, you know, if that's the case. And he wasn't on that call. Of course...

BALDUCCI: Right.

Z SCRUGGS: ...I wasn't, but I'm, hell, I trust completely anything you and DAVID tell me about what happened.

BALDUCCI: Sure.

Z SCRUGGS: And both you and DAVID independently and together said

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI . On 11/01/2007 , Page 9

that was a wild ass call. And,
and...

BALDUCCI:

Well.

Z SCRUGGS:

...that's really what it comes
down to. Do we wanna be workin'
with those guys and those guys
forwarding everything we say on
to JOEY and misrepresentin' it?

BALDUCCI:

Yeah. And I just hate it. I
mean it's just a terrible
situation, but I just wanna
make sure...

Z SCRUGGS:

I wonder what they're doing
now?

BALDUCCI:

...that you guys...ah, hell if
I know. You know, good luck for
'em.

Z SCRUGGS:

I figured you would at least
heard somethin' by now.

BALDUCCI:

I hadn't heard a thing from any
of 'em.

Z SCRUGGS:

Ok.

BALDUCCI:

But I just wanna make sure you
guys, I hope you guys don't
hold it against us...

Z SCRUGGS:

No. Ya'll are the reason...

BALDUCCI:

...for what happened. You know?

Z SCRUGGS:

...ya'll got us in that deal.
We weren't gonna...

BALDUCCI:

I know, but you know, the
problem is like I said, you
know, we were dumb and happy...

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI . On 11/01/2007 . Page 10

Z SCRUGGS: (UI) (talking simultaneously)

BALDUCCI: ...and movin' along.

Z SCRUGGS: I figured that, I figured that quite (UI)

BALDUCCI: Until JOEY raised his, you know, raised his head in all of it.

Z SCRUGGS: (talking simultaneously) Yeah. And it's, and, and, and, and it's unfortunate that, that JOEY did that. I think even though JOEY's motives and get involved in the first place were, were probably mixed. One, to get in a good deal and two, kinda do this to ya'll...

BALDUCCI: Yeah.

Z SCRUGGS: ...I don't think he intended how they, how it ended up happenin'. Uh, you know, everybody, you know, Kentucky and JOEY created a monster that I don't know if they understood they created. But ya'll had nothin' to do with it. And, and and I, I didn't want ya'll to be blindsided about us withdrawin', but we just, on Friday, after I talked, we were like, and, and, and then JOEY sent that email. I was like, shit. We gotta...

BALDUCCI: Yeah.

Z SCRUGGS: ...'cause JOEY, 'cause, you know, JOEY...what prompted it was I don't, I guess SID told you JOEY sent a email sayin'

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 , Page 11

yeah, you know, saying this or that (UI)

BALDUCCI:

Right.

Z SCRUGGS:

We were like whoa. (laughs)
Alright, this is too far.

BALDUCCI:

Yeah. Yeah, basically he would...

Z SCRUGGS:

And that happened after we had all talked.

BALDUCCI:

... (talking simultaneously) he, he, yeah. Basically, JOEY wouldn't go away quietly. He kinda dug in on the friendship deal and (sighs). Well I hate it, but such is the case.

Z SCRUGGS:

There's a lot of good stuff we can get involved in.

BALDUCCI:

Naw, we'll move, we'll move on.

Z SCRUGGS:

And there's no way that, I knew that, that JOEY came in under those kinda terms, but ya'll ain't gonna stand for it. And we couldn't, in good faith, stay in a deal that ya'll brought us into. We didn't know these Kentucky guys.

BALDUCCI:

Yeah. Well, it's just a mess and I hate it and I think, I think we both got knocked out of a...

SIDNEY BACKSTROM:

Hey.

BALDUCCI:

...out of a good project, but uh...

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI, On 11/01/2007, Page 12

Z SCRUGGS: Well...

BALDUCCI: ...you know, it's one of those things.

Z SCRUGGS: ...it ain't gonna succeed without all of us. I know that.

BALDUCCI: My man.

BACKSTROM: What's happenin', dude?

BALDUCCI: SIDNEY ALLEN BACKSTROM.

BACKSTROM: Um, that's real cool about how ya'll uh, just walked past your co-counsel there and didn't even say hello.

BALDUCCI: Who?

BACKSTROM: DAVID (UI) MCMULLEN. In BARRETT's office.

Z SCRUGGS: I didn't even see him.

BACKSTROM: (laughs) He, ya'll walked right by. He's like hey, DICK, ZACH...

BALDUCCI: (laughs)

BACKSTROM: ... (laughs)

BALDUCCI: Nice.

Z SCRUGGS: Really?

BALDUCCI: Nice.

Z SCRUGGS: Shit, well...

BACKSTROM: I said, dude, they...

Z SCRUGGS: ...let's get his ass up here.

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI, On 11/01/2007, Page 13

I didn't...

BACKSTROM:

I don't know why they don't like you. I...

BALDUCCI:

Hey, you guys are a class act.

BACKSTROM:

I (laughs).

Z SCRUGGS:

I only saw a kind of a side angle. I mean, I was like, he kinda looks familiar, but didn't think anything of it.
(U1)

BACKSTROM:

Yeah.

Z SCRUGGS:

(U1) My bad

BACKSTROM:

Where'd you get this from?

Z SCRUGGS:

Oh, uh, a whole bunch of 'em in the um...

BALDUCCI:

Trick or treating.

Z SCRUGGS:

Yeah. You want? I mean, there's...

BACKSTROM:

Where, in our office?

(telephone ringing in background)

Z SCRUGGS:

Yeah. Both at the uh, right by the uh, the phone and, and uh, ANGELA's office, so.

BACKSTROM:

Gonna get me some DOTS. You want some?

Z SCRUGGS:

Yeah. Come on.

BALDUCCI:

You know I'm good.

BACKSTROM:

When did you get here?

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI , On 11/01/2007 , Page 14

BALDUCCI: I just, literally, just walked up.

Z SCRUGGS: (UI) (talking simultaneously)

BALDUCCI: And saw them. They were...

Z SCRUGGS: I really didn't'. I was like who?

BALDUCCI: No.

BACKSTROM: I thought you were comin' before lunch?

BALDUCCI: Well, I got tied up. You know how it is. I had, jeez.

BACKSTROM: (laughs)

Z SCRUGGS: Like a celebrity.

BALDUCCI: (laughs)

Z SCRUGGS: He just, he just tried to hire uh, LINDA away but he, but LINDA didn't hear him say that he was gonna cut your salary.

LINDA (LNU): Hey, I'll take it if I can cut my hours. (laughs)

BACKSTROM: (laughs)

BALDUCCI: Listen I, now, hey VICKI.

VICKI (LNU): Hi, TIM.

Z SCRUGGS: Of course (UI) (talking simultaneously) work.

BALDUCCI: Not much. How you doin'?

VICKI (LNU): (UI)

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI . On 11/01/2007 . Page 15

BALDUCCI: Nah, I told her uh, I said workin' for me is probably worth half the pay of workin' around here.

VICKI (LNU): (laughs)

BALDUCCI: She'd probably uh, jump at the chance to...

BACKSTROM: LINDA's already workin' for you. She just doesn't know it yet.

BALDUCCI: ...get away from you. Robber barons.

(All laugh)

BALDUCCI: (laughs)

BACKSTROM: You and your New Orleans filing.

BALDUCCI: I'm fixin' to get that all cleaned up, too.

BACKSTROM: Yeah, good.

BALDUCCI: That's gonna get all...

BACKSTROM: I appreciate that.

BALDUCCI: ...it's gonna get all cleaned up. Gettin' a little sugar rush there?

BACKSTROM: (U1) (talking simultaneously) Mm-hmm.

BALDUCCI: Uh, I'm sorry I didn't make it here earlier. Is that alright? You uh...

BACKSTROM: No, that's fine. I mean, I, I

Exhibit T

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI , On 11/01/2007 , Page 16

just, in fact, I wish I was
went to lunch and I was like I
thought he was supposed to come
for lunch.

BALDUCCI: I was (sighs). But do you have
time now? You got...

BACKSTROM: Mm-hmm.

BALDUCCI: ...a little bit of time?

BACKSTROM: Mm-hmm.

BALDUCCI: I got just a couple things that
I wanted to run through with
you. Um, first things first.
Ok, let me tell you about the
deal with...

BACKSTROM: Here's a check for...what?
(laughs)

BALDUCCI: Yeah. That (laughs)...no. First
things first. Let me tell you
about the deal with Judge
LACKEY. Ok?

(cellular telephone ringing in background)

BALDUCCI: Um...what is that? Your cell
phone?

BACKSTROM: Mm-hmm.

BALDUCCI: Sounds like STAR TREK.

BACKSTROM: Mm-hmm.

BALDUCCI: Alright.

BACKSTROM: (UI)

BALDUCCI: You may know this already, but

FD-302a (Rev 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 Page 17

just from your channels through your attorneys, but are, you know, I came here a week ago and I dropped off an order that he was signing, he had signed. And he had told me that, he said, you know, go take this, you know, go in peace and it's gonna get filed in the next couple of days. Well, apparently before MONETTE filed that order, GRADY filed a bunch of stuff. Do you know about this?

BACKSTROM: I know he filed (U1) a proposed order. I never saw it.

BALDUCCI: Alright, well, I went down there this mornin' to judge's office and there was a...

BACKSTROM: Mm-hmm?

ZACH: If ya'll need to...just talk...

BALDUCCI: No. Uh-uh.

BACKSTROM: Mm-mmm. No.

BALDUCCI: 'Course not. Course not. Come on in. Um...

ZACH: Yes?

ZACH: (U1)

ZACH: Let me get that. Ok. Put in my office. (closes door)

BALDUCCI: Ok, anyway, um, so apparently anyway before, before he, MONETTE filed that order, GRADY filed a bunch of shit.

BACKSTROM: Mm-hmm.

Exhibit T

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 Page 18

BALDUCCI: So judge called me and he said, look, we need to talk again. There's been a change. Everything's still cool, but...

BACKSTROM: Mm-hmm.

BALDUCCI: ...it's fine, but I gotta make a change. So what he has done is he's, he's prepared another order and it, it, change, and I got it. This is it. And it just adds some language where he has contemplated and looked at the stuff that GRADY filed...

BACKSTROM: Mm-hmm.

BALDUCCI: ...and he still, you know, still movin' it to arbitration, but he just added a paragraph here in the conclusion part. This paragraph right here.

(pause)

BACKSTROM: Yes. That's fine.

BALDUCCI: Alright, well what he wanted me to know, he said, you know, he wanted me to review it before he entered it and see you know, is this ok...

BACKSTROM: Mm-hmm.

BALDUCCI: ...like it is and I, frankly, I just didn't know enough about the facts to know if that was gonna be ok.

BACKSTROM: Mm-hmm.

BALDUCCI: So I wanted somebody here to review it and look at it.

Exhibit T

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 Page 19

BACKSTROM: The only thing that's a little bit curious to me (ZACH enters) is it says, complainant never requested relief by this court or any other court. (close door)

BALDUCCI: ZACH, let me bring you up to speed.

BACKSTROM: (UI)but chose to disregard this (UI) that doesn't make any sense.

BALDUCCI: Alright, this is on the Judge LACKEY deal. Ok? You know, I came by here last week and I gave you an order that the judge was gonna enter. Well apparently before MONETTE got it entered, got it sent down here, GRADY filed a bunch a more shit in the case, ok? And so the judge called me and wanted me to come back down there and he's redone a new order. And what it is, it's just a change, everything's still ok, still the same deal...

ZACH: Mm-hmm.

BALDUCCI: ...but he wants, he, he wanted me to approve this new language, basically saying that he's reviewed the new filings that GRADY has done, considered those and he still...

Z SCRUGGS: What were the new filings?

BALDUCCI: I don't know. He had 'em. He showed, I didn't read 'em, but

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI, On 11/01/2007, Page 20

there was a, probably an inch worth of stuff that GRADY had filed. And it just...

BACKSTROM: (UI) only (UI)

BALDUCCI: ...that beat...

BACKSTROM: (UI) attached (UI) order to whatever he filed. But we attached a proposed order in response (UI) The DANIEL COKER guys (UI)

Z SCRUGGS: So they, they know what it, I mean, they never reported to us what it was about. Maybe, must not been important. I don't know.

BACKSTROM: I mean, they just copied us on what they filed in response, saying...

Z SCRUGGS: So he's drafted a new order addressing...

BALDUCCI: Addressing that recent filing and he, he wanted me to approve it. Well, the problem is, I didn't know, 'cause I didn't, I didn't have the institutional knowledge of the case to really know if it was ok or not. So I wanted ya'll to look at it and tell me if it's ok and if not, make whatever edits need to be made to it...

BACKSTROM: (clears throat)

BALDUCCI: ...before I get...

BACKSTROM: This is the only...

FD-302a (Rev. 10-6-95)

194A-JN-32324

Continuation of FD-302 of TIM BALDUCCI On 11/01/2007 , Page 21

BALDUCCI: ...get it entered.

BACKSTROM: thing that doesn't makes sense. The plaintiff never requested relief by this court or any relief by this court or any other court but chose to disregard the clear language and intent of the joint venture agreement and filed the action sub (UI) justice. So (UI). That doesn't make any sense. It's not a bad thing for us, but doesn't make any sense.

Z SCRUGGS: That's a good thing.

BACKSTROM: Well he's saying they didn't file anything with this court. Instead, they chose to file this court (laughs), with this court. (laughs)

BALDUCCI: Apparently, I don't, yeah I don't understand that either.

BACKSTROM: (laughs)

Z SCRUGGS: Oh, ok.

BALDUCCI: Maybe, maybe he's saying...

Z SCRUGGS: The first part doesn't make sense.

BALDUCCI: ...maybe he's saying they didn't file a demand for arbitration with this court.

Z SCRUGGS: (UI)

BALDUCCI: Or re, I don't know what he's trying to say.

BACKSTROM: Uh, yeah, maybe. Maybe.

Exhibit T